



STATE PROCUREMENT OFFICE

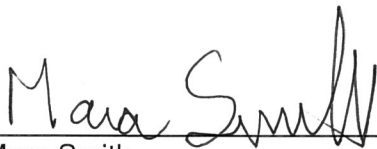
RELEASE DATE: July 18, 2016

INVITATION FOR BIDS
No. IFB-17-002-SW
SEALED OFFERS
FOR
PRINTING AND DELIVERING
VARIOUS STATE FORMS
AND
NON-PRINTED CARBONLESS PAPER
STATE OF HAWAII

WILL BE RECEIVED UP TO 2:00 P.M. HST ON

AUGUST 1, 2016

OR AS RECEIVED THROUGH ADDENDA IF APPLICABLE, THROUGH THE STATE OF HAWAII ELECTRONIC PROCUREMENT SYSTEM (HiePRO). DIRECT QUESTIONS RELATING TO THIS SOLICITATION TO SHAWN RICHEY, TELEPHONE (808) 586-0577 OR E-MAIL AT shawn.l.richey@hawaii.gov.


Mara Smith
Procurement Officer

IFB-17-002-SW

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SECTION ONE: SPECIFICATIONS & SCOPE OF WORK

1.1 PROJECT OVERVIEW

The State Procurement Office consolidates requirements to procure the printing and delivering of Various State Forms and Non-Printed Carbonless Paper for various agencies Statewide.

1.2 SCOPE OF WORK

All printing and delivering of Various Forms and Non-Printed Carbonless Paper, as ordered by the various agencies Statewide, shall be in accordance with this solicitation, including its attachments and any addenda.

A SPO price list contract will be issued as a result of any awards made for this Invitation for Bid (IFB).

1.3 BIDDER QUALIFICATIONS

Location of Wholesale or Retail Business. Bidder shall maintain an island-based wholesale or retail business at the time of bidding and during the contract period with warehouse and inventory operations for supplying the items awarded and where the Bidder can be reached to answer inquiries or handle special requests. Island-based location shall be located on Oahu. Award(s) shall not be made to any Bidder not meeting this qualification requirement. Island-based warehouse location, contact person, phone and facsimile numbers shall be provided on the appropriate Offer Form, page OF-2.

Failure to provide warehouse location and contact information may delay proper execution of the contract.

1.4 GENERAL GROUP INFORMATION

1.4.1 RECYCLED PAPER

1.4.1.1 Definitions

1.4.1.1.1 "Recovered material" shall mean material that has been separated, diverted, or removed from the solid waste stream after a manufacturing process for the purpose of use, reuse, or recycling. This term does not include those materials that are generated and normally reused on-site for manufacturing processes (such as mill broke, in the case of paper products).

1.4.1.1.2 "Post-consumer recovered material" means any product used by a consumer, including a business that purchases the

material, that has served its intended end use, and that has been separated or diverted from the solid waste stream for the purpose of use, reuse, or recycling.

1.4.1.1.3 "Solid waste stream" means discarded material moving from the point of discard to ultimate disposition.

1.4.1.2 Certification. If offering recycled product(s), Bidder shall submit with the offer the attached SPO Form-008, State of Hawaii Certification of Recycled Content, certifying the recycled content and signed by any official authorized to sign on behalf of the manufacturer (the mill). Refer to Section 2.8.11, Certification of Recycled Content.

1.4.1.3 Award, if any, will be based on recycled content of paper. Refer to Section 3.1, Method of Award.

1.4.2 ORDERING and DELIVERY

Ordering and deliveries shall be completed on or before dates specified in Sections 3.9, Ordering and 3.10, Delivery.

1.5 GROUP A – VARIOUS STANDARD SNAP-OUT FORMS

1.5.1 GENERAL SPECIFICATIONS

1.5.1.1 Recycled/Virgin Paper. Award shall be made to the lowest responsive, responsible Bidder offering recycled content on all parts of all forms. If no Bidders offer recycled content on all parts of all forms, award shall be made to the lowest responsive, responsible Bidder offering the most parts of all forms with recycled content. Refer to Section 3.1, Method of Award and Section 2.8.11, Certification of Recycled Content.

1.5.1.2 Carbon Interleaved. Carbon paper need not be of recycled content. Carbon paper shall be black, premium quality and light weight.

1.5.1.3 Packaging. With the exception of sub-item numbers 2a, 2b, and 2c for SAF B-24, Official Receipt Book, all forms shall be packaged 100 to a pack. The pack shall be cellophane wrapped and sealed.

The SAF B-24, Official Receipt Book, shall be 50 forms to a book.

1.5.1.4 Sample of Existing Forms. Existing forms are available for inspection at the SPO. It shall be the Bidder's responsibility to examine each form to familiarize themselves with the extent and nature of work to be performed. Refer to Section 2.8.9, Sample of Existing Forms.

1.5.1.5 Minimum Quantities are listed on the Offer Form page(s). For those forms with no requirements, if any, a quote is necessary in the event an agency wishes to order this form.

1.5.2 DETAILED SPECIFICATIONS

Item 1: SAF B-14, Treasury Deposit Receipt (Continuation), Rev 1/1/91

Size: 8-1/2" x 11-5/8" overall size; 8-1/2" x 11" torn-off size.
Stock: 11 or 12 lb. sub., blue stock
Construction: 4-part, carbon interleaved or carbonless, snap-out form type. All sheets pasted at stub, perforated at stub. 2-hole punched at top of all sheets. Form must be registered.
Printing: Form shall be printed in black ink with bolded black ink for marginal printing on the left-hand side at bottom of each copy, as follows:

1 st copy	COPY #1	STATE TREASURY
2 nd copy	COPY #2	STATE COMPTROLLER
3 rd copy	COPY #3	DEPARTMENTAL FISCAL OFFICE
4 th copy	COPY #4	DEPARTMENTAL FISCAL OFFICE (FOLLOW-UP COPY)

Item 2a, 2b, & 2c: SAF B-24, Official Receipt Book, Rev. 7/1/99

Size: 8" x 4-1/4" torn-off.
Stock: 14, 15 or 17 lb. sub., carbonless paper with manila cover.
Ink: Black ink; for imprinting and pre-numbering – black ink **or** red ink.
Stub: Stub must be at least 1/2" on left side.
Construction: Carbonless type. 2 staples bound on left side. Cover staples with manila wraparound cover with chipboard on bottom. 50 sets per book.
Pre-numbering series for each book must be marked on back bone.
Duplicate: 1st sheet white & perforated
2nd sheet canary & not perforated.
Triplicate: 1st sheet white & perforated
2nd sheet canary & perforated
3rd sheet blue & not perforated
Quadruplicate: 1st sheet white & perforated
2nd sheet canary & perforated
3rd sheet pink & perforated
4th sheet blue & not perforated.
Printing: All receipt books must be printed in black ink and must be registered.
Imprinting/
Pre-
numbering: All imprinting and pre-numbering shall be as shown as requested from the agencies at the time of order.
Pre-numbering must be at least 3/16" in black or red ink and shall have no hyphens or extra spaces between numbers. Pre-numbering may be crashed printed. Unless specified by a requesting agency, consecutive numbering must be without a break in number within each group.

Agencies listed on the Appendix who did not list imprinting/pre-numbering requirements shall be allowed to request for imprinting/pre-numbering at time of order.

Item 3: SAF C-04, Requisition & Purchase Order (Continuation), Rev. 7/1/83

Size: 8-1/2" x 11-5/8" overall size; 8-1/2" x 11" torn-off size.
Stock: Original 15 or 16 lb. sub.; all other copies 11 or 12 lb. sub.
Construction: 7-part, carbon interleaved or carbonless, snap-out form type. All sheets pasted at stub, perforated at stub. 2-hole punch on the top for filing on all copies except on the first copy. Form must be registered.
Printing: Form shall be printed in black ink with bolded black ink for marginal printing centered at bottom of each copy, as follows:

1 st Copy	White	VENDOR
2 nd Copy	Pink	ENCUMBRANCE COPY
3 rd Copy	Blue	COMPTROLLER'S COPY
4 th Copy	Canary	CHRONOLOGICAL FILE COPY
5 th Copy	Green	DEPARTMENT
6 th Copy	Goldenrod	DEPARTMENT
7 th Copy	Buff	DEPARTMENT

Items 4a & 4b: SAF D-55, Individual Time Sheet, Rev. 7/1/77

Size: 8-1/2" x 13-1/8" overall size; 8-1/2" x 12-1/2" torn-off size.
Stock: 1st copy shall be 15 or 16 lb. sub., white stock; all others shall be 11 or 12 lb. canary, pink, and (for the 4-part form) white stock.
Construction: 3- or 4-part; carbon interleaved or carbonless, snap-out form type. All sheets pasted at stub, perforated at stub. 2-hole punched at top of all sheets. Form must be registered.
Printing: Form shall be printed in bolded black ink for marginal printing, centered at bottom of each copy, as follows:

1 st Copy	White	STATE COMPTROLLER (CENTRAL PAYROLL)
2 nd Copy	Canary	DEPARTMENTAL #1
3 rd Copy	Pink	DEPARTMENTAL #2
4 th Copy	White	EMPLOYEE COPY

Item 5: SAF D-56, Organizational Time Sheet, Rev. 7/1/84

Size: 11-5/8" x 14" overall size; 11" x 14" torn-off size
Stock: 15 or 16 lb. sub., bond, white
Construction: 3-part, carbon interleaved or carbonless, snap-out form type. All sheets pasted at stub, perforated at stub, Form must be registered.
Printing: Form shall be printed in green ink with bolded black ink for marginal printing, centered at bottom of each copy, as follows:
1st Copy STATE COMPTROLLER (CENTRAL PAYROLL)
2nd Copy DEPARTMENTAL COPY #1

Item 6: SAF D-60, Salary Assignment/Cancellation, Rev. 1/1/00

Size: 7-3/8" x 5-5/8" overall size; 7-3/8" x 3-3/8" torn-off size
Stock: 11 or 12 lb. sub., white, canary, pink and blue stock
Construction: 4-part, carbon interleaved or carbonless, snap-out form type. All sheets pasted at stub, perforated at stub. Form must be registered.
Printing: Form shall be two-sided printed. Form shall be printed in black ink with bolded black ink for marginal printing on the left-hand side at bottom of each copy, as follows:

1 st Copy	White	STATE COMPTROLLER (CENTRAL PAYROLL)
2 nd Copy	Canary	AGENT COPY
3 rd Copy	Pink	EMPLOYING AGENCY (PERSONNEL JACKET FILE COPY)
4 th Copy	Blue	EMPLOYING AGENCY (EMPLOYEE'S COPY)

Item 7: SAF D-62, Motor Vehicle Insurance Deduction Authorization, Rev. 7/1/94

Size: 7-3/8" x 5-5/8" overall size; 7-3/8" x 3-3/8" torn-off size.
Stock: 11 or 12 lb. sub., white, canary, pink and blue stock.
Construction: 4-part, carbon interleaved or carbonless, snap-out form type. All sheets pasted at stub, perforated at stub. Form must be registered.
Printing: Form shall be printed in black ink with bolded black ink for marginal printing on the left hand side at bottom of each copy, as follows:

1 st Copy	White	STATE COMPTROLLER (CENTRAL PAYROLL)
2 nd Copy	Canary	AGENT COPY
3 rd Copy	Pink	EMPLOYING AGENCY
4 th Copy	Blue	EMPLOYEE COPY

Item 8: SAF D-70, Notification for Payroll Adjustment, Rev. 7/1/96

Size: 8-1/2" x 11-5/8" overall size; 8-1/2" x 11" torn-off size
Stock: 15 or 16 lb. sub., goldenrod stock
Construction: 4-part, carbon interleaved or carbonless, snap-out form type. All sheets pasted at stub, perforated at stub. 2-hole punched at top of all sheets. Form must be registered.
Printing: Form shall be printed in black ink with bolded black ink for marginal printing centered at bottom of each copy, as follows:

1 st Copy	STATE COMPTROLLER (CENTRAL PAYROLL)
2 nd Copy	DEPARTMENTAL COPY #1
3 rd Copy	EMPLOYEES' RETIREMENT SYSTEM
4 th Copy	DEPARTMENTAL COPY #2

Item 9: G-2, Application for Transfer of Vacation and Sick Leave, Rev. 6/07

Size: 8-1/2" x 11-5/8" overall size; 8-1/2" x 11" torn-off size
Stock: 11 or 12 lb. sub., blue stock
Construction: 5-part, carbon interleaved or carbonless, snap-out form type. All sheets pasted at stub, perforated at stub. 2-hole punched at top of all sheets. Form must be registered.
Printing: Form shall be printed in black ink with bolded black ink for marginal printing at bottom of each copy as follows:
1st Copy STATE COMPTROLLER (CENTRAL PAYROLL) OR RECEIVING COPY
2nd Copy TRANSFERRING DEPT. OR RECEIVING DEPT.
3rd Copy EMPLOYEE PERSONNEL JACKET COPY
4th Copy EMPLOYEE COPY
5th Copy TRANSFERRING DEPT. OF RECEIVING DEPT.

Item 10: HRD Form 10, Notification of Temporary Assignment, Rev. 1997

Size: 13" x 9-1/8" overall size; 13" x 8-1/2" torn-off size.
Stock: 15 or 16 lb. sub., white
Construction: 4-part, carbon interleaved or carbonless, snap-out form type. All sheets pasted at top of stub, perforated at stub. 2-hole punched at top of sheet.
Printing: Form shall be printed in black ink with red ink for marginal printing at bottom of each copy, as follows:
1st Copy STATE COMPTROLLER (CENTRAL PAYROLL)
2nd Copy DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
3rd Copy EMPLOYING AGENCY (EMPLOYEE'S COPY)
4th Copy EMPLOYING AGENCY (PERSONNEL JACKET FILE COPY)

Item 11: HRD 305, Certification Form, Rev. 12/01

Size: 11-5/8" x 8-1/2" overall size, 11" x 8-1/2" torn out size
Stock: 15 lb. or 16 lb. sub.
Construction: 4-part, carbon interleaved or carbonless, snap-out form, stub on right. All sheets pasted at stub, perforated at stub. 2-hole punched at left side of sheet.
Printing: Form shall be printed in black ink on both sides of the sheet.
Color: Color stock shall be as follows:
1st Copy White
2nd Copy Canary
3rd Copy Blue
4th Copy White

1.6 GROUP B – SAF C-03 REQUISITION AND PO FORMS

1.6.1 GENERAL SPECIFICATIONS

1.6.1.1 Recycled/Virgin Paper. Award shall be made to the lowest responsive, responsible Bidder offering recycled content on all parts of all forms. If no

Bidders offer recycled content on all parts of all forms, award shall be made to the lowest responsive, responsible Bidder offering the most parts of all forms with recycled content. Refer to Section 3.1, Method of Award and Section 2.8.11, Certification of Recycled Content.

3.1

1.6.1.2 Carbon Interleaved

1.6.1.2.1 White bond paper shall be of recycled content as follows: minimum 30% post-consumer recovered material.

1.6.1.2.2 Carbon paper need not be of recycled content. Carbon paper shall be black, premium quality and lightweight.

1.6.1.3 Sample of Existing Forms. Existing forms are available for inspection at the SPO. It shall be the Bidder's responsibility to examine each form to familiarize themselves with the extent and nature of work to be performed. Refer to Section 2.8.9, Sample of Existing Forms.

1.6.1.4 Minimum Quantities are listed on the Offer Form page(s). For those forms with no requirements, if any, a quote is necessary in the event an agency wishes to order this form.

1.6.2 DETAILED SPECIFICATIONS

Part 1 – SNAP-OUT, SINGLE SETS, CARBON INTERLEAVED OR CARBONLESS

Ink:	Black throughout, including marginal words and pre-numbering which shall be in black ink. Approximately 20% screen for "Object", vertical column line and 5 lines in block "For Department Use Only".	
Carbon:	If carbon interleaved, lightweight, black, premium quality carbons. Carbons to be ½" shorter than sheets and must be of a quality such that impressions will be legible on all copies. Carbonless can also be offered.	
Torn-off size:	8-1/2" x 11"	
Stock:	Carbon Interleaved: Original 15 lb or 16 lb. substance; all other copies 11 or 12 lb. substance. Carbonless: Original 16 lb substance; all other copies 14 lb substance.	
Color and Marginal Words:	1 st Copy White	COPY #1 – VENDOR
	2 nd Copy Pink	COPY #2 – ENCUMBRANCE COPY
	3 rd Copy Blue	COPY #3 – COMPTROLLER'S COPY
	4 th Copy Canary	COPY #4 – CHRONOLOGICAL FILE COPY
	5 th Copy Green	COPY #5 – DEPARTMENT
	6 th Copy Goldenrod	COPY #6 – DEPARTMENT

Marginal words shall be centered on the bottom of the forms.

Imprinting/ Pre-numbering:	<p>All imprinting/pre-numbering shall be as shown as requested from the agencies at time of order.</p> <p>Pre-numbering must be at least 3/16" high in black ink and shall have no hyphens or extra spaces between numbers. Consecutive numbering must be without break in number. The ending number for all pre-numbering series shall be the responsibility of the Contractor. All pre-numbering must have eight (8) digits except for the requisition number. Numerals may be "press printed" or "crash imprinted" at the option of the Contractor.</p>
Construction:	<p>If carbon interleaved, Snap-out construction, interleaved with carbons. All opaque sheets pasted at top of stub; all sheets perforated at the pasted stub.</p> <p>If carbonless, Snap-out construction. All sheets pasted at top of stub; all sheets perforated at the pasted stub.</p>
Punching:	2-hole punched at the top except on the first copy
Printing:	<p>All forms will be printed per sample. Form shall be two-sided printed on first copy. Form must be registered.</p> <p>There shall be no lines in the vendor address box.</p>
Packaging:	<p>Must be packaged 100 per set for all parts. Each set shall be wrapped.</p> <p>Wrapping material must be paper, plastic or cellophane, sturdy enough to not break apart when handled.</p> <p>Pre-numbered series must be clearly marked on each box and also "box 1 of x", "box 2 of x", "box 3 of x", etc.</p>

Part 2 – CONTINUOUS FORM, CARBON INTERLEAVED OR CARBONLESS

Ink:	Black throughout, including pre-numbering and marginal words in black ink. Approximately 20% screen for "Object", vertical column line and the 5 lines in the block "For Department Use Only".
Carbon:	If carbon interleaved, lightweight, black, premium quality carbon. Carbon shall be 3/8" short from left edge of form and shall NOT be perforated at right. Must be of a quality such that impressions will be legible on all copies.

Carbonless can also be offered. Carbonless paper shall be durable and shall not intermittently tear outside of the perforations.

Torn-off Size: 8-1/2" x 11"

Stock: Carbon Interleaved: Original 15 or 16 lb. substance; all other copies 10 lb. sulphite.

Carbonless: Original 16 lb substance; all other copies 14 lb substance.

Color and	1 st Copy White	COPY #1 – VENDOR
Marginal Words:	2 nd Copy Pink	COPY #2 – ENCUMBRANCE COPY
	3 rd Copy Blue	COPY #3 – COMPTROLLER'S COPY
	4 th Copy Canary	COPY #4 – CHRONOLOGICAL FILE COPY
	5 th Copy Green	COPY #5 – DEPARTMENT
	6 th Copy Goldenrod	COPY #6 – DEPARTMENT
	7 th Copy Buff	COPY #7 – DEPARTMENT

Marginal words shall be centered on the bottom of the forms.

Imprinting/
Pre-numbering: All imprinting/pre-numbering shall be as shown as requested from the agencies at time of order. Pre-numbering must be at least 3/16" high in black ink and shall have no hyphens or extra spaces between numbers. Consecutive numbering must be without break in number. The ending number for all pre-numbering series shall be the responsibility of the Contractor. All pre-numbering must have eight (8) digits except for the requisition number. Numerals may be "press printed" or "crash imprinted" at the option of the Contractor.

Construction: Continuous form.

If carbon interleaved, fastening on right side only, carbons glued and slit. All sheets and carbons must be pasted in the right margin and perforated so form may be snapped apart using the right marginal strip as the stub. Marginal crimp not required in both margins.

If carbonless, fastening on right side only. All sheets must be pasted in the right margin and perforated so form may be snapped apart using the right marginal strip as the stub. Marginal crimp not required in both margins.

Perforations: 2 sides; margins on each side shall be at least 1/2" and no more than 7/8"

Punching: 2-hole punched at the top except on the first copy.

Marginal holes must be punched clean, absolutely free of confetti and the holes must be identically located on all copies of all sets throughout each pack of forms. Sides of forms and any perforations, vertical or horizontal, must be free from lint or dust. Marginal punching in paper must be 5/32" in diameter with centers located exactly 1/4" from edge of paper.

Printing: All forms will be printed per sample. Form shall be two-sided printed on first copy. Form must be registered.

There shall be no lines in the vendor address box.

Quality: Forms must be completely compatible with the printers currently in operation in the State. Forms shall be processed and printed legibly without the necessity of making any adjustments to the printers or to the forms. In the event of any work stoppage due to incompatibility between the forms and printer or if carbon impressions on all copies are not legible, the State shall have the right to require complete remanufacture of said forms at the expense of the Contractor or to buy replacement requirements from another supplier at emergency or premium costs, if necessary, and assess the entire cost thereof to the Contractor.

The Procurement Officer shall have the sole right to determine the facts of and reasons for any and all work stoppages and also legibility of forms and to take the emergency action provided for in the preceding paragraph if he determines the case of a stoppage to be incompatible between forms and the printer and if carbon impressions are not legible on all copies.

The term "compatible" and any grammatical variations as used shall mean that the forms shall be capable of being processed by the printers without creating any malfunctions, or that the forms will not require additional processing.

Forms must be manufactured to insure the legibility of all copies. Premium papers and carbons are required to insure legibility of all copies.

Packaging: Pack height to be not less than 10 inches in unbroken strips within carton. Packing should be of such a nature that the forms will not be damaged during shipment or storage. A high strength carton with appropriate shimming will be necessary.

Pre-numbered series must be clearly marked on each box and also "box 1 of x", "box 2 of x", "box 3 of x", etc.

Part 3 – IMPRINTING AND PRE-NUMBERING

Refer to “Pre-numbering” clauses on pages 8 and 9 and Section 2.8.3, “Imprinting and Pre-Numbering”.

1.7 GROUP C – NON-PRINTED CARBONLESS PAPER

1.7.1 GENERAL SPECIFICATIONS

1.7.1.1 Recycled/Virgin Paper. Award shall be made to the lowest responsive, responsible Bidder offering recycled content. If no Bidders offer recycled content, award shall be made to the lowest responsive, responsible Bidder offering non-recycled. Refer to Section 3.1, Method of Award and Section 2.8.11, Certification of Recycled Content.

1.7.1.2 Quantities are listed on the Offer Form page(s).

1.7.2 DETAILED SPECIFICATIONS

Size:	8-1/2" x 11"
Coating:	CFB
Sheet:	Single
Colors:	Canary and Goldenrod
Compatibility:	Copiers and laser printers
Stock:	Minimum 20#
Packaging:	500 sheets/ream; 10 reams/carton.
Punching:	Two (2) standard 1/4" holes drilled at top of paper. Punching shall be set to 2-3/4 inch center-to-center. The side edge to the center of the hole shall be 2-7/8 inch. The top edge to the center of the hole shall be 13/32 inch. Holes shall be punched clean, absolutely free of confetti and the holes must be identically located on all sheets
Wrapping:	Shrink wrapped or other type of wrapping. Paper shall be wrapped after the holes have been drilled.
Quality:	Paper must be completely compatible with the printers currently in operation in the State. In the event of any work stoppage due to incompatibility between the paper and printer, the State shall have the right to require complete remanufacture of the paper at the expense of the Contractor or to buy replacement requirements from another supplier at emergency or premium costs, if necessary, and assess the entire cost thereof to the Contractor.

The Procurement Officer shall have the sole right to determine the facts of and reasons for any and all work stoppages and also legibility of forms and to take the emergency action provided for in the preceding paragraph if he determines the case of a stoppage to be incompatible between the paper and the printer.

The term "compatible" and any grammatical variations as used shall mean that the forms shall be capable of being processed by the printers without creating any malfunctions, or that the paper will not require additional processing.

Paper must be manufactured to insure the legibility of all copies.

1.8 QUALITY OF PRODUCT

Forms must be manufactured to insure the legibility and registration of all copies. Premium paper and/or carbon are required to meet the standards of legibility of all copies as required by the State.

Work to be done shall be of a professional quality. Blank areas of pages shall be clean and clear. Printing shall be legible, uniform in shade and shall have no inking irregularities. Damaged or rejected items shall be immediately replaced with items of the quality required by these specifications.

Failure to replace any unacceptable item shall not relieve the Contractor from the responsibility imposed upon the Contractor by the contract.

In the event the quality is continually unsatisfactory as judged by the Procurement Officer, it shall be considered as non-performance of contract. No payment, whether partial or final, shall be construed to be an acceptance of unacceptable supplies.

The State may, at any time, by written order, stop delivery of products not conforming to these specifications. Such stop order shall not relieve the Contractor of their obligation to complete the contract within the contract time limits, nor shall it in any way terminate, cancel or abrogate the contract or any part thereof.

1.9 CONTRACT ADMINISTRATOR

For the purposes of this contract, Shawn Richey, Purchasing Specialist, (808) 586-0577, or authorized representative, is designated the Contract Administrator.

**SECTION TWO:
OFFER SUBMITTAL AND CONTENT**

2.1 ELECTRONIC PROCUREMENT

The State has established the HlePRO [pronounced 'HI-PRO'] to electronically solicit and receive offers for procurements. Bidders interested in responding to this electronic solicitation must be registered on the HlePRO in order to participate in this procurement. Registration information is available at the State Procurement Office (SPO) website: <http://spo.hawaii.gov>, click on HlePRO.

Award(s) resulting from this solicitation, if any, shall be conducted through HlePRO and subject to a mandatory .75% (.0075) transaction fee of the award, not to exceed \$5000 for the award. This transaction fee shall be based on the initial award amount or estimated amount, and Vendor shall be responsible for payment of the fee to Hawaii Information Consortium, LLC (HIC), the vendor administering the HlePRO. Refer to Section 3.12, Payment to Hawaii Information Consortium, LLC.

2.2 BIDDER'S AUTHORITY TO SUBMIT AN OFFER

The State will not participate in determinations regarding an Bidder's authority to sell a product or service. If there is a question or doubt regarding an Bidder's right or ability to obtain and sell a product or service, the Bidder shall resolve that question prior to submitting an offer. If an Bidder offers a product that meets the specifications, is acceptable and the price submitted is the lowest priced offered, the contract will be awarded to that Bidder.

2.3 CERTIFICATION OF INDEPENDENT COST DETERMINATION

By submission of an offer in response to this solicitation, Bidder certifies as follows:

1. The costs quoted have been arrived at independently, without consultation, communication, or agreement with any other bidder, as to any matter relating to such costs for the purpose of restricting competition.
2. Unless otherwise required by law, the cost which have been quoted in response to this Solicitation have not been knowingly disclosed by the bidder prior to award, directly or indirectly, to any other Bidder or competitor prior to the award of the contract.
3. No other attempt has been made or will be made by the Bidder to indicate any other person or firm to submit or not to submit for the purpose of restricting competition.

2.4 REQUIRED REVIEW

- 2.4.1 Before submitting an offer, each Bidder must thoroughly and carefully examine this solicitation, any attachment, addendum, and other relevant document, to

ensure Bidder understands the requirements of the solicitation. Bidder must also become familiar with State, local, and federal laws, statutes, ordinances, rules, and regulations that may in any manner affect cost, progress, or performance of the work required.

- 2.4.2 Should Bidder find defects and questionable or objectionable items in the solicitation, Bidder shall notify the State Procurement Office as soon as possible. This will allow the issuance of any necessary corrections and/or amendments to the solicitation by addendum, and mitigate reliance of a defective solicitation upon which award could not be made.

2.5 OFFER PREPARATION COSTS

Any and all costs incurred by the Bidder in preparing or submitting an offer shall be the Bidder's sole responsibility whether or not any award results from this solicitation. The State shall not reimburse such costs.

2.6 OFFER GUARANTY

A proposal security deposit is NOT required for this IFB.

2.7 TAX LIABILITY

- 2.7.1 Work to be performed under this solicitation is a business activity taxable under HRS Chapter 237, and if applicable, taxable under HRS Chapter 238. Contractor is advised that they are liable for the Hawaii GET at the current 4.5% for sales made on Oahu, and at the 4% rate for the islands of Hawaii, Maui, Molokai, Lanai, and Kauai. If, however, an Bidder is a person exempt by the HRS from paying the GET and therefore not liable for the taxes on this solicitation, Bidder shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.

- 2.7.2 Federal I.D. Number and Hawaii General Excise Tax License I.D. Bidder shall submit its current Federal I.D. No. and Hawaii General Excise Tax License I.D. number in the space provided on Offer Form, page OF-1, thereby attesting that the Bidder is doing business in the State and that Bidder will pay such taxes on all sales made to the State.

2.8 OFFER PREPARATION

- 2.8.1 Offer Form, Page OF-1. Bidder is requested to submit its offer using Bidder's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable; and to indicate exact legal name in the appropriate space on Offer Form, page OF-1. Failure to do so may delay proper execution of the contract.

The authorized signature on the first page of the Offer Form shall be an original signature in ink, which shall be required before an award, if any, can be made.

Ink signatures are not required for electronic submission of bid on HlePRO but shall be required upon Notice of Award. The submission of the offer on HlePRO shall indicate the Bidder's intent to be bound.

2.8.2 Bid Quotation. Unit bid price shall include labor, equipment, transportation, storage, training, all applicable taxes, and any other costs incurred to provide services specified including the transaction fee for processing this procurement electronically. Unit bid prices shall be based on "delivery to destination" to offices throughout the State and include the following pricing inclusions and conditions:

- A. Unit prices shall be firm for the term of the contract.
- B. Include all applicable taxes, except the GET, currently 4.5% for all sales made on Oahu, and/or 4% for all sales made on the islands of Hawaii, Maui, Kauai, Molokai and Lanai. The GET may be added to the invoice as a separate line item and shall not exceed the current rate for that island;
- C. Include all other costs, including but not limited to freight, transportation, warehousing, packaging, printing, binding, and delivery of the products to destination specified; and
- D. Submit prices in terms of the unit shown.
- E. Unit prices for Form SAF B-24 (all parts) in Group A - Various Standard Snap-Out Forms, shall include the cost of pre-numbering and imprinting. A separate charge for pre-numbering and imprinting shall not be allowed. Refer to Section 2.8.3, Imprinting and Pre-Numbering.
- F. Unit prices for Group B - SAF C-03 Requisition and PO Forms, a separate one-time charge for imprinting and pre-numbering shall be allowed as indicated on the appropriate Offer Form page. Refer to Section 2.8.3, Imprinting and Pre-Numbering.

Bidder is advised that unit bid prices are all-inclusive, with the exception of the GET; and that no other charges will be honored, except as specified herein.

2.8.3 Imprinting and Pre-Numbering

2.8.3.1 Group A - Various Standard Snap-Out Forms. For form SAF B-24, two-parts, three-parts, and four-parts, Bidder shall include the cost of imprinting and pre-numbering into the unit price.

2.8.3.2 Group B - SAF C-03 Requisition and PO Forms. For all parts of the form, Bidder shall provide a quote for imprinting and pre-numbering on the appropriate Offer Form page. Failure to provide a quote shall indicate that Bidder will not charge for imprinting and/or pre-numbering. The one-time imprinting charge and/or pre-numbering charge shall be billed to each department for each set of imprinting and for each series of pre-numbering as ordered.

A sample of the form agencies may submit to the awarded vendor for imprinting/pre-numbering is attached. See Exhibit.

2.8.4 Tax Liability. The following information is provided to assist vendors in determining their tax liability under this solicitation. For additional information and assistance, Bidders may call the State of Hawaii Department of Taxation, telephone (800) 222-3229 or (808) 587-4242.

2.8.5 Hawaii vendors. A vendor doing business in the State of Hawaii, as evidenced by its Hawaii General Excise Tax (GET) license number, is liable for the Hawaii GET, currently either 4% or 4.5%*, and the applicable Use tax, currently 1/2%, resulting from this solicitation. (*Note: The 4.5% GET rate applies to sales made on Oahu only; the 4% GET rate affects the other Islands of Hawaii.)

2.8.6 Out-of-state vendors without a Hawaii GET license. Due to the scope of work under this solicitation, an out-of-state vendor not possessing a Hawaii GET license, but having "sufficient presence in Hawaii" as evidenced by a "yes" response to at least one of the questions in the attached *Tax Equalization Certificate*, is liable for the applicable GET and the applicable Use tax. Out-of-state vendors not possessing a Hawaii GET license shall complete the attached certificate.

However, if an out-of-state vendor not possessing a Hawaii GET license has "sufficient presence in Hawaii" due solely to a "yes" answer to question number 4 of the *Tax Equalization Certificate*, drop ships the goods required herein and subcontracts the entire service portion of the contract to be awarded, then the out-of-state vendor is not liable for the taxes. If the out-of-state vendor is subcontracting this portion of the work, the name of the subcontractor shall be furnished on the certificate.

Failure to complete the certificate and to furnish names(s) of the subcontractor(s), if any, may result in delay of award or rejection of the offer.

2.8.7 Tax-Exempt Vendors. If an Bidder is a person exempt by the HRS from paying the GET and Use tax and therefore not liable for the taxes under this solicitation, Bidder shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.

2.8.8 References. Bidder shall furnish on the Offer Form, page OF-3, the names and addresses of at least three (3) companies or government agencies that Bidder has provided or is currently providing identical or similar items as specified herein. The State reserves the right to contact the listed references to inquire about the Bidder's performance.

2.8.9 Sample of Existing Forms. Existing forms are available for inspection at the SPO. One (1) sample per form shall be provided to the Bidder upon request. Existing forms are the property of the State of Hawaii and shall be returned, at no cost, to the SPO within three (3) working days of review. It shall be the Bidder's responsibility to examine each form thoroughly to familiarize themselves with the extent and nature of work to be performed. No additional compensation will be made by reason for any misunderstanding or error regarding the forms to be printed

or the amount and kind of work involved. Submission of offer shall be evidence that the Bidder understands the scope of the project and will comply with the specifications if awarded.

- 2.8.10 Bidder's Samples. For record purposes and viewing for future solicitations, the Bidder shall submit to the SPO two (2) samples of each form without charge within ten (10) calendar days after initial delivery. Any sample submitted for these purposes will become the property of the State and will not be returned to the Bidder.
- 2.8.11 Certificate of Recycled Content. Where applicable, Bidder shall indicate in the space provided on the Offer Form pages whether a recycled product is being offered. If an "X" or a check mark is not indicated in the space provided, it shall be presumed that a non-recycled product is being offered. Bidder shall list each recycled product offered on the attached SPO Form-008 (rev. 7/1/02), CERTIFICATION OF RECYCLED CONTENT.
- 2.8.12 Samples of Previous Work. When requested by the State, the Bidder shall submit at their own expense, within five (5) working days from date of the State's request, samples of similar printed work. Failure to do so shall be cause for rejection of offer. Any sample submitted for testing purposes will become the property of the State and will not be returned to the Bidder. The State shall be the sole judge as to the suitability of the item, and its decision will be final.
- 2.8.13 Brand Name(s) and Model Number(s). If indicated on the Offer Form pages, Bidder shall identify on the respective Offer Form page, the exact brand(s) or manufacturer name(s), product model number(s), or other identifier(s) of the product offered. Failure to do so or the inclusion of remarks such as "as specified" may be sufficient grounds for rejection of offer. If any of the called for elements or product information are missing from the Bidder's offer the State will not be able to determine from the information given whether the product is acceptable or not.

No Bidder will be allowed to alter, change and/or revise the product identification after the offer due date and time. This is to ensure that all offers are submitted under the same conditions with no opportunity for one Bidder to have an advantage over any other Bidder after exposure of offers.

2.9 QUANTITIES

- 2.9.1 Group A – Various Standard Snap – Out Forms and Group B – Requisition and PO Forms. Quantities listed in the Appendix represent firm commitments. The State reserves the right to purchase larger quantities at the prices quoted in this solicitation. Participating jurisdictions/agencies as stated in Section 3.7 but not listed on the Appendix shall be able to place orders by the order deadline date specified herein.

For all Agencies listed in the Appendix, a contact person and contact information for each agency will be provided to the awarded vendor upon request.

- 2.9.2 Group C – Non-Printed Carbonless Paper. Quantities listed in the Appendix represent firm commitments. The State shall order the exact amount listed in the Appendix; agencies shall not increase or decrease their orders. Agencies not listed on the Appendix will not be able to place orders.

For all Agencies listed in the Appendix, a contact person and contact information for each agency will be provided to the awarded vendor upon request.

2.10 ELECTRONIC SUBMISSION OF OFFER

The offer shall be submitted and received electronically through the HlePRO. This electronically submitted offer shall be considered the original. Any original offers received outside of the HlePRO, including faxed, hand delivered, or e-mailed offers, shall not be accepted or considered for award. Any offer received after the due date and time shall be rejected.

HlePRO Special Instructions. Bidder shall review all special instructions located on the HlePRO solicitation. Bidders are responsible for ensuring that all necessary files are included in their response upon submission on HlePRO by the due date and time.

Bidders are advised to not wait until the last minute to submit their offer on HlePRO. Bidders should allow ample time to review their submittals on HlePRO, including all attachments, prior to the due date and time. Submission must be completed and submitted by due date and time. If submission is not completed and submitted by the due date and time, HlePRO will not accept the offer.

The submission of an offer shall constitute an incontrovertible representation by the Bidder of compliance with every requirement of the solicitation, and that the solicitation documents are sufficient in scope and detail to indicate and convey reasonable understanding of all terms and conditions of performance of the work.

2.11 FORMAT INSTRUCTIONS FOR SUBMITTING OFFER ON HlePRO

2.11.1 Format. Offers shall be submitted as attachments on HlePRO.

2.11.2 Proprietary/Confidential Information. Proprietary information, if any, shall be contained in a separate file that is clearly identified as proprietary/confidential information.

2.12 MODIFICATION PRIOR TO SUBMITTAL DEADLINE OR WITHDRAWAL OF OFFERS

2.12.1 The Bidder may modify or withdraw an offer before the due date and time.

2.12.2 Any change, addition, deletion of attachment(s) of an offer may be made prior to the deadline for submittal of offers in the electronic system.

**SECTION THREE:
CONTRACT AWARD AND TERMS**

3.1 METHOD OF AWARD

- 3.1.1 Group A – Various Standard Snap-Out Forms. Award, if made, shall be to the responsive, responsible Bidder submitting the lowest Estimated Total Bid Price or lowest Evaluated Estimated Total Bid Price, if applicable, AND offering all parts of all forms with recycled content. If no Bidders offer recycled content on all parts of all forms, award shall be made to the responsive, responsible Bidder submitting the lowest Estimated Total Bid Price per Group or lowest Evaluated Estimated Total Bid Price, if applicable, and offering the most parts of all forms with recycled content.
- 3.1.2 Group B – Requisition and PO Forms. Award, if made, shall be to the responsive, responsible Bidder submitting the lowest Estimated Total Bid Price or lowest Evaluated Estimated Total Bid Price, if applicable, AND offering all parts of all forms with recycled content. If no Bidders offer recycled content on all parts of all forms, award shall be made to the responsive, responsible Bidder submitting the lowest Estimated Total Bid Price or lowest Evaluated Estimated Total Bid Price, if applicable, and offering the most parts of all forms with recycled content.
- 3.1.3 Group C – Non-Printed Carbonless Paper. Award shall be made to lowest responsive, responsible Bidder offering recycled content. If no Bidders offer recycled content, award shall be made to the lowest responsive, responsible Bidder offering non-recycled.

Bidder is not required to bid on every Group to be considered for award, however, Bidder must bid on every Item within a Group to be considered for that Group award.

Evaluated bid price shall be based on the printing, binding and stationery work preference (HAR Chapter 3-124 subchapter 2), where applicable. The evaluated bid prices are for evaluation purposes only, and contract awards shall be based on the actual prices provided on the Offer Form pages.

3.2 RESPONSIBILITY OF BIDDERS

Bidder is advised that in order to be awarded a contract under this solicitation, Bidder will be required, to be compliant with all laws governing entities doing business in the State including the following chapters and pursuant to HRS §103D-310(c):

1. Chapter 237, General Excise Tax Law;
2. Chapter 383, Hawaii Employment Security Law;
3. Chapter 386, Worker's Compensation Law;
4. Chapter 392, Temporary Disability Insurance;
5. Chapter 393, Prepaid Health Care Act; and
6. §103D-310(c), Certificate of Good Standing (COGS) for entities doing business in the State.

3.2.1 Vendor Compliance - Hawaii Compliance Express (HCE).

3.2.1.1 Vendors may use the HCE, which is an electronic system that allows vendors/contractors/service providers doing business with the State to quickly and easily demonstrate compliance with applicable laws. It is an online system that replaces the necessity of obtaining paper compliance certificates from the Department of Taxation, Federal Internal Revenue Service; Department of Labor and Industrial Relations, and Department of Commerce and Consumer Affairs.

3.2.1.2 Timely Registration on HCE. Vendors/contractors/service providers intending to use the HCE to demonstrate compliance are advised to register on HCE as soon as possible at <https://vendors.ehawaii.gov>. The annual registration fee is \$12.00 and the 'Certificate of Vendor Compliance' is accepted for the execution of contract and final payment. If a vendor/contractor/service provider is not compliant on HCE at the time of award, an Bidder will not receive the award.

3.2.1.3 Verification of Compliance on HCE. The State will verify compliance at the time of award of the contract.

3.2.2 Vendor Compliance - Paper Documents. Vendors not utilizing the HCE to demonstrate compliance shall provide the paper certificates to the SPO as instructed below. All certificates must be valid on the date it is received by the SPO. All applications for applicable clearances are the responsibility of the Bidder.

3.2.2.1 HRS Chapter 237 tax clearance requirement for award. Pursuant to Section 103D-328, HRS, the lowest responsive Bidder shall be required to submit a tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS). The certificate shall have an original green certified copy stamp and shall be valid for six (6) months from the most recent approval stamp date on the certificate.

The *Tax Clearance Application*, Form A-6, and its completion and filing instructions, are available on the DOTAX website: <http://tax.hawaii.gov/forms/>.

3.2.2.2 HRS Chapters 383 (Unemployment Insurance), 386 (Workers' Compensation), 392 (Temporary Disability Insurance), and 393 (Prepaid Health Care) requirements for award. Pursuant to Section 103D-310(c), HRS, the lowest responsive Bidder shall be required to submit a certificate of compliance issued by the Hawaii State Department of Labor and Industrial Relations (DLIR). The certificate is valid for six (6) months from the date of issue. A photocopy of the certificate is acceptable to the SPO.

The *DLIR Form LIR#27 Application for Certificate of Compliance with Section 3-122-112, HAR*, and its filing instructions are available on the DLIR website: <http://labor.hawaii.gov/forms/>

3.2.2.3 Compliance with Section 103D-310(c), HRS, for an entity doing business in the State. The lowest responsive Bidder shall be required to submit a *Certificate of Good Standing (COGS)* issued by the State of Hawaii Department of Commerce and Consumer Affairs (DCCA) - Business Registration Division (BREG). The Certificate is valid for six (6) months from date of issue. A photocopy of the certificate is acceptable to the SPO.

To obtain the Certificate, the Bidder must be registered with the BREG. A sole proprietorship is not required to register with the BREG and is therefore not required to submit the certificate.

For more information regarding online business registration and the COGS is available at <http://cca.hawaii.gov/breg/>.

3.2.2.4 Timely Registration. The above certificates should be applied for and submitted to the SPO as soon as possible. If a valid certificate is not submitted on a timely basis for award of a contract, an Bidder otherwise responsive and responsible may not receive the award.

3.2.2.5 Verification of Compliance. Upon receipt of compliance documents (A-6, LIR#27, COGS), the SPO reserves the right to verify their validity with the respective issuing agency. The Contractor shall maintain their compliance and shall provide current compliance documents to demonstrate continued compliance throughout the term of the contract.

3.3 PROTEST PROCEDURES

Pursuant to HRS §103D-701 and HAR §3-126-3, an actual or prospective Bidder who is aggrieved in connection with the solicitation or award of a contract may submit a protest. Any protest shall be submitted in writing to the Procurement Officer at:

Procurement Officer
State Procurement Office
1151 Punchbowl Street, Room 416
Honolulu, HI 96813

A protest shall be submitted in writing within five (5) working days after the aggrieved person knows or should have known of the facts giving rise thereto; provided that a protest based upon the content of the solicitation shall be submitted in writing prior to the date set for receipt of offers. Further provided that a protest of an award or proposed award shall be submitted within five (5) working days after the posting of award or if requested, within five (5) working days after the Procurement Officer's debriefing was completed.

The notice of award, if any, resulting from this solicitation shall be posted on HlePRO and can be accessed through the HlePRO solicitation, under the 'Offers' tab.

3.4 APPROVALS

Any agreement arising out of this offer may be subject to the approval of the Department of the Attorney General, and to all further approvals, including the approval of the Governor, as required by statute, regulation, rule, order, or other directive.

3.5 CONTRACT EXECUTION

Successful Bidder receiving award shall enter into a formal written contract to be signed by the Contractor and returned within ten (10) days.

No performance or payment bond is required for this contract.

No work is to be undertaken by the Contractor prior to the commencement date specified on the Notice to Proceed. The State of Hawaii is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Contractor prior to the official commencement date.

3.6 NOTICE TO PROCEED

Work will commence on the official commencement date specified on the Notice to Proceed.

3.7 STATE'S COMMITMENT

In return for prices submitted the following purchasing jurisdictions will purchase all of their requirements for items listed herein from the successful low bidder(s):

- A. Executive Departments/Agencies (excludes DOE, OHA and UH)
- B. Hawaii Health Systems Corporation
- C. University of Hawaii
- D. House of Representatives
- E. Senate
- F. Judiciary

When the purchase of a product listed herein is not appropriate to an agency's purpose, the purchasing jurisdiction may grant an exception to this commitment.

3.8 USE OF PRICE LIST CONTRACT BY NONPROFIT ORGANIZATIONS

Pursuant to HRS §103D-804, nonprofit organizations with current purchase of service contract(s) (HRS Chapter 103F) have been invited to participate in SPO price list contracts.

A listing of nonprofit organizations ("nonprofits") is available at the SPO website, <http://spo.hawaii.gov>. Click on "For Vendors" > "Non-Profits" > "Cooperative Purchasing Program."

If interested, these nonprofits will contact the price list contract vendor to obtain concurrence on their participation. A price list contract vendor may choose to deny participation by a nonprofit. Provided, however, if a nonprofit and price list contract vendor mutually agree to this arrangement, it is understood that the nonprofit will retain its right to purchase from other than a price list contract vendor.

3.9 ORDERING

It shall be the Contractors responsibility to ensure that all orders received by the order deadline date are fulfilled and processed at the price quoted in response to this solicitation.

The State will place orders with the Contractor(s) on or before October 14, 2016, and will use either the pCard or purchase order when placing its order(s). The Contractor shall honor all orders received by the deadline date and deliver according to the contract terms and within the required delivery time.

3.9.1 Group A - Various Standard Snap-Out Forms. In the event an agency listed in this Solicitation fails to submit its order by the order deadline date, for all forms except SAF B-24 (all parts), the Contractor may automatically process the order at the contracted price and contact the agency to coordinate delivery and payment. For Agencies that fail to submit its order by the order deadline date and lists SAF B-24 as a requirement, the Contractor may automatically process the order at the contracted price but the Contractor shall contact the agency for pre-numbering and/or imprinting requirements, if applicable, and coordinate delivery and payment.

3.9.2 Group B - Requisition and PO Forms. In the event an agency listed in this Solicitation fails to submit its order by the order deadline date, the Contractor may automatically process the order at the contracted price but the Contractor shall contact the agency for pre-numbering and/or imprinting requirements, if applicable, and coordinate delivery and payment.

The minimum order for continuous type forms shall be one set. Orders shall only be made in full sets. (set = 1000 continuous sheets).

3.9.3 Group C – Non-Printed Carbonless Paper. In the event an agency listed in this Solicitation fails to submit its order by the order deadline date, the Contractor may automatically process the order at the contracted price and contact the agency to coordinate delivery and payment.

The minimum order on each order for non-printed carbonless paper shall be one (1) ream.

3.10 DELIVERY

Delivery by the Contractor shall be made on or before January 13, 2017. Exact delivery address shall be provided by the individual agency when placing an order. If delivery

address is not indicated on order, Contractor shall contact the appropriate agency, prior to shipment and coordinate delivery arrangements.

Forms and Non-Printed Carbonless Paper shall be packed, delivered, and billed separately as instructed on each order. Department, division, and program (if available) must be clearly marked on each box.

The Contractor shall deliver the exact amount ordered to the address stated on the order form; no overruns or under runs will be accepted. The State will not pay for any overruns that the Contractor may deliver.

Any products, damaged, defective or spoiled, will not be accepted by the ordering agencies and the Contractor shall be responsible for replacing them.

Contractor will be required to deliver all items ordered on or before the order deadline date as specified in the contract and deliver according to the contract terms. Should the Contractor delay in the completion of delivery in accordance with the terms of the contract and the State finds it necessary to buy said forms from another supplier at emergency or premium cost, the State shall have the right to assess the entire cost thereof to the Contractor.

3.11 INSURANCE

3.11.1 Prior to the contract start date, the Contractor shall procure at its sole expense and maintain insurance coverage acceptable to the State in full force and effect throughout the term of the Contract. The Contractor shall provide proof of insurance for the following minimum insFOFurance coverage(s) and limit(s). The type of insurance coverage is listed as follows:

1. Commercial General Liability Insurance

Commercial general liability insurance coverage against claims for bodily injury and property damage arising out of all operations, activities or contractual liability by the Contractor, its employees and subcontractors during the term of the Contract. This insurance shall include the following coverage and limits specified or required by any applicable law: bodily injury and property damage coverage with a minimum of \$1,000,000 per occurrence; personal and advertising injury of \$1,000,000 per occurrence; and with an aggregated limit of \$2,000,000. The commercial general liability policy shall be written on an occurrence basis and the policy shall provide legal defense costs and expenses in addition to the limits of liability stated above. The Contractor shall be responsible for payment of any deductible applicable to this policy.

2. Automobile Liability Insurance

Automobile liability insurance covering owned, non-owned, leased, and hired vehicles with a minimum of \$1,000,000 for bodily injury for each person, \$1,000,000 for bodily injury for each accident, and \$1,000,000 for property damage for each accident.

3. Appropriate levels of per occurrence insurance coverage for workers' compensation and any other insurance coverage required by federal or State law.

3.11.2 The Contractor shall deposit with the SPO, on or before the effective date of the Contract, certificate(s) of insurance necessary to satisfy the SPO that the provisions of the Contract have been complied with, and to keep such insurance in effect and provide the certificate(s) of insurance to the SPO during the entire term of the Contract. Upon request by the SPO, the Contractor shall furnish a copy of the policy or policies.

3.11.3 The Contractor will immediately provide written notice to the SPO and contracting department or agency should any of the insurance policies evidenced on its Certificate of Insurance form be cancelled, limited in scope, or not renewed up expiration.

3.11.4 The certificates of insurance shall contain the following clauses:

1. "The State of Hawaii is added as an additional insured as respects to operations performed for the State of Hawaii."
2. "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

3.11.5. Failure of the Contractor to provide and keep in force such insurance shall constitute a material default under the Contract, entitling the State to exercise any or all of the remedies provided in the Contract (including without limitation terminating the Contract). The procuring of any required policy or policies of insurance shall not be construed to limit the Contractor's liability hereunder, or to fulfill the indemnification provisions of the Contract. Notwithstanding said policy or policies of insurance, the Contractor shall be responsible for the full and total amount of any damage, injury, or loss caused by the Contractor's negligence or neglect in the provision of services under the Contract.

3.12 PAYMENT TO HAWAII INFORMATION CONSORTIUM, LLC (HIC)

HlePRO is administered by Hawaii Information Consortium, LLC (HIC). Upon award in HlePRO, HIC shall invoice the awarded vendor directly for payment of transaction fees. Payment must be made to HIC within thirty (30) days from receipt of invoice. HIC is an intended third-party beneficiary of transaction fees, which are used to fund the operation, maintenance and future enhancements of the HlePRO system.

The amount of the transaction fees shall be .75% (.0075) of the award or estimated award as stated in the notice of award, not to exceed \$5,000 for any single award to a vendor.

Termination/Rescission of an Award. If an agreement is terminated or rescinded through no fault of the vendor at the beginning of the contract or within 60 days of notice

of award, and no amount paid on the contract, the vendor will become eligible to receive a refund for administrative fees paid for that award to the vendor's account with HIC. To receive the refund, the vendor must make a written request to HIC.

3.13 INVOICING AND PAYMENT

3.13.1 All Agencies will be invoiced for all items ordered, delivered, and committed to as per attached Appendix.

3.13.2 The State's purchasing card (pCard) shall be used for all orders totaling less than \$2500. This requirement is for all agencies of the Executive branch departments with the exception of the the Hawaii Health Systems Corporation. Agencies may continue to issue purchase orders for their transactions with contract vendors who do not accept the pCard, or who assess customers for credit card usage. Agencies have also been instructed to indicate on the purchase order(s) that vendor does not accept the pCard or that vendor assesses a fee for credit card usage.

3.13.3 Hawaii GET. Contractor(s) shall forward invoices, original and three (3) copies, directly to the ordering agency for those agencies issuing purchase orders. For all orders placed against this contract, Contractor(s) may assess the ordering agency the Hawaii GET as a separate line item.

HRS §103-10, provides that the State shall have thirty (30) calendar days after receipt of invoice or satisfactory delivery of goods to make payment. For this reason, the State will reject any offer submitted with a condition requiring payment within a shorter period. Further, the State will reject any offer submitted with a condition requiring interest payments greater than that allowed by HRS §103-10, as amended.

The State will not recognize any requirement established by the Contractor and communicated to the State after award of the contract, which requires payment within a shorter period or interest payment not in conformance with statute.

Only goods that have been satisfactorily delivered to and accepted by the State shall be paid for in accordance with statute.

The State has the right to make payment upon receipt of goods.

3.14 CONTRACT INVALIDATION

If any provision of this contract is found to be invalid, such invalidation will not be construed to invalidate the entire contract.

3.15 LIQUIDATED DAMAGES

Refer to Section 9 of the AG General Conditions, Form AG-008, or as amended. Liquidated damage is fixed at the sum of TWENTY-FIVE DOLLARS (\$25.00) per each and every calendar day per location per violation the Contractor fails to perform in whole

or in part any of his obligations specified herein. Liquidated damage, if assessed, may be deducted from any payments due or to become due to the Contractor.

3.16 VENDOR AND PRODUCT EVALUATION

The Vendor and Product Evaluation form, SPO-012, is made available to the user agencies for the purpose of addressing their concerns on the price list resulting from this solicitation.

Product Evaluation. Upon receipt by the SPO, Contractor shall be sent a copy of the complaint(s) regarding product quality. Contractor shall follow up the complaint(s) with the manufacturer and respond to the SPO as to what remedies have or will be taken to correct the problem. If product quality is not corrected and the complaint(s) persist, steps will be taken to delete product from the price list.

Vendor Evaluation. In the event of a complaint regarding a Contractor's service (i.e. delivery delays, numerous backorders, failure to correct defective product deliveries, etc.), Contractor shall be sent a copy of the complaint(s). Contractor shall meet with or contact the agency that issued the complaint at the agency's place of business to resolve the problem. This shall take place within one (1) week of notification. Contractor shall contact and inform the SPO specialist as to the corrective measures taken to resolve the complaint.

Should the Contractor consistently receives complaints for poor service or refuses to resolve the complaints, the Procurement Officer reserves the right to terminate the contract and/or initiate the debarment process pursuant to Chapter 3-126, HAR, Legal and Contractual Remedies.

The resolving of complaints pursuant to product and vendor evaluation notifications shall be done at no additional charge to the State.

SECTION FOUR: SPECIAL PROVISIONS

4.1 MISTAKES IN BID

- a. When the procurement officer knows or has reason to conclude before award that a mistake has been made, the procurement officer should request the Bidder to confirm the bid. If the Bidder alleges mistake, the bid may be corrected or withdrawn pursuant to this section.

Technical irregularities are minor informalities that have no effect on price, quantity, quality, delivery, or contractual conditions. These irregularities/informalities can be waived or corrected without prejudice to other Bidders.

- b. Correction or withdrawal of an offer after the time and date set for bid opening because of an inadvertent, nonjudgmental mistake in the offer requires careful consideration to protect the integrity of the competitive bidding system, and to assure fairness. If the mistake is attributable to an error in judgment, the offer may not be corrected. Bid correction or withdrawal by reason of a nonjudgmental mistake is permissible but only to the extent it is not contrary to the interest of the governmental agency or the fair treatment of other Bidders.
- c. When, after bid opening but before award, the procurement officer knows or has reason to conclude that a mistake has been made, including obvious, apparent errors on the face of the offer or an offer unreasonably lower than the other offers is submitted, such officer should request the Bidder to confirm the offer. If the Bidder alleges mistake, the offer may be corrected or withdrawn by the Bidder if the conditions under subsections “d” and “e” of this section are met and if the mistake is a minor informality which is a matter of form rather than substance evident from the bid document, or an insignificant mistake that can be waived by the procurement officer or corrected by the Bidder without prejudice to other Bidders depending on which is in the best interest of the governmental jurisdiction issuing the solicitation; that is, the effect on price, quantity, quality, delivery, or contractual conditions is negligible. An example includes the failure of an Bidder to acknowledge receipt of an amendment to the Solicitation (if such acknowledgement is required by the Solicitation) but only if it is clear from the offer that the Bidder received the amendment and intended to be bound by its terms; or the amendment involved had a negligible effect on price, quantity, quality, or delivery.
- d. If the mistake and the intended correct offer are clearly evident on the face of the bid document, the offer shall be corrected to the intended correct offer and may not be withdrawn. Examples of such mistakes include: typographical errors; errors in extending unit prices; transposition errors; and arithmetical errors. In the event of a discrepancy between unit bid prices and extensions, the unit price shall govern. In case of error in addition, the sum of the total amount offered for each item added shall govern.
- e. An Bidder may be permitted to withdraw a low bid if a mistake is clearly evident

on the face of the bid document but the intended correct offer is not similarly evident; or the Bidder submits proof of evidentiary value which clearly and convincingly demonstrates that a mistake was made.

- f. An Bidder may not correct a mistake in an offer discovered after award of the contract except where the chief procurement officer or the head of the purchasing agency makes a written determination that it would be unreasonable not to allow the mistake to be corrected.
- g. When an offer is corrected or withdrawn, or correction or withdrawal is denied, under “c” or “d,” the chief procurement officer or the head of a purchasing agency shall prepare a written determination showing that the relief was granted or denied in accordance with HAR §3-122-31, subchapter 5 except that the procurement officer shall prepare the determination required under subsection (C).

4.2 PREFERENCES FOR EVALUATION PURPOSES

a. PRINTING PREFERENCE

HAR chapter 3-124, subchapter 2 provides that:

All bids or proposals submitted for a printing, binding, or stationery contract in which all work will be performed in-state, including all preparatory work, presswork, bindery work, and any other production-related work shall receive a fifteen per cent preference for purposes of bid or proposal evaluation.

Where bids or proposals are for work performed in-state and out-of-state, then for the purpose of selecting the lowest bid or evaluating proposals submitted only, the amount bid or proposed for work performed out-of-state shall be increased by fifteen per cent. The lowest total offer, taking the preference into consideration, shall be awarded the contract unless the solicitation provides for additional award criteria. The contract amount awarded, however, shall be the amount of the price offered, exclusive of the preference.